8

EASTERN EUROPEAN INTELLIGENCER

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11 January 1968

More of Leadership Changes in Warsaw

The Embassy in Warsaw is hearing more rumors of plans for high-level personnel shifts in the party-government structure. Most vary as to detail. The latest one has party First Secretary Gomulka succeeding Edward Ochab as chairman of the State Council and head of the National Unity Front. In addition to these two posts, Gomulka would also become "president of the party," a new post created especially for him and allowing him free reign over foreign policy and relations with other parties.

Edward Gierek allegedly would assume the position of party First Secretary, but only with responsibility for internal affairs and economics. Defense Minister Spychalski would resign permitting the present Deputy Defense Minister Korczynski to assume the top military post. According to the rumor Korczynski's elevation would act as a counterweight to Interior Minister Moczar who reportedly has been working with Politburo hardliner Ryszard Strzelecki and Gierek to undermine Gomulka's position. These arrangements are to be effected before the Budapest conference. scheduled 26 February.

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COMMENT: Rumors of changes in the Polish regime have increased considerably in volume during the last three weeks. While the majority of them are in some ways plausible, they continue to be inconsistent and contradictory. They do not reflect a cohesive drive toward a particular change of policy; there is no hint of what such personnel changes would accomplish. It may be that the Embassy's Polish sources are nervous because of the upheaval of the past several weeks in Czechoslovakia.

Hungarians Conduct Bilateral Meetings to Prepare for February Meeting

During December and early January, Hungarian party leaders who deal in foreign affairs met with party delegations from other countries in efforts to coordinate planning for the Budapest preparatory meeting to be held in February. The Hungarians met with the Austrian CP in Austria and received delegations from the French, Italian and Yugoslav parties in Budapest. Details of these meetings have not been made public.

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GROUP I

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Yugoslav-Common Market Talks Postponed

Negotiations on a trade agreement between Yugoslavia and the European Common Market (EEC) have been indefinitely postponed, according to the director of the Yugoslav foreign office's economic service. The action resulted from Italian

-3-

objections that southern European countries such as Yugoslavia would become competitors in supplying fruit and vegetables to other EEC countries. The Italians acted after the recent French opposition to negotiations regarding British entry into the Common Market.

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COMMENT: The Yugoslavs, whose agricultural exports face increasing difficulty with EEC tariffs, had hoped to start negotiations this month, but apparently Yugoslavia's bid has become enmeshed in the issue of Britians entry. The Common Market countries are Yugoslavia's main Western trading partners and the Italian decision could delay freeing Yugoslavia's foreign trade and hamper Belgrade's economic reform program. The Belgrade press has made no mention of Rome's role in blocking negotiations, but it has lauded Yugoslav-Italian relations during premier Spiljak's visit there, suggesting the possibility of a confidential understanding on the EEC issue.

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East Germans Concerned over Celebration of Gutenberg Anniversary

SED functionaries in Leipzig Bezirk are concerned that the GDR has mishandled planning for celebrations connected with the 500th anniversary of the death of Johannes Gutenberg

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THE VIEWS EXPRESSED ABOVE REPRESENT

ONLY THE ANALYSIS OF THE EE DIVISION

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